

FY 2002-03 Budget Detail for ALL OTHER

**Capital Outlay
History, Arts, and Libraries
Judiciary
Transportation**

**Summary: Enacted Appropriation
FY 2002-03 Capital Outlay
Senate Bill 1099
Public Act 518 of 2002**

Analyst: Al Valenzio

						<u>Change from YTD at 5-10-02</u>	
	2001-02 YTD (as of 5/10/02)	Executive	Senate	House	Enacted	FTEs/Dollars	%
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross	\$486,161,200	\$565,269,900	\$577,271,600	\$577,271,800	\$577,269,900	\$91,108,700	18.7
IDG/IDT	\$7,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	(\$3,000,000)	(42.9)
Federal	\$106,332,000	\$167,542,000	\$167,542,000	\$167,542,000	\$167,542,000	\$61,210,000	57.6
Local	\$26,000,000	\$43,000,000	\$43,000,000	\$43,000,000	\$43,000,000	\$17,000,000	65.4
Private	\$1,250,000	\$0	\$0	\$0	\$0	(\$1,250,000)	(100.0)
Restricted	\$43,109,000	\$46,245,000	\$58,245,000	\$58,245,000	\$58,245,000	\$15,136,000	35.1
GF/GP	\$302,470,200	\$304,482,900	\$304,484,600	\$304,484,800	\$304,482,900	\$2,012,700	0.7

OVERVIEW

The Capital Outlay budget and process can be defined as the “budgetary and administrative functions devoted to the financing and planning for the acquisition, construction, renovation, and maintenance of facilities used by a state agency, public university, or community college.” Within the framework of the planning process, it is essential that the executive and legislative branches work cooperatively in order to achieve the timely completion of a building project. Even so, statutory provisions contain numerous oversight and approval action steps that define the respective roles of each branch in the capital outlay process.

The Governor vetoed all nineteen new project planning authorizations for State Building Authority projects for universities and community colleges. There are no cost and construction authorizations for projects that received planning authorizations in previous budget acts in this budget act.

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>Senate</u>	<u>House</u>	<u>Enacted</u>
1. Airport Safety and Protection	Gross	\$90,278,000	\$90,278,000	\$90,278,000
Provides additional state, federal, and local funds to help implement the Airport Safety and Protection (ASAP) Plan. These new safety and security initiatives are currently being developed at the federal level, and will likely include airport access control, passenger, baggage, employee screening, and terminal modifications. Part of the recommendation is to issue and use \$60.0 million of Comprehensive Transportation Fund bonds for these initiatives to help generate additional federal funds.	Federal	61,278,000	61,278,000	61,278,000
	Local	17,000,000	17,000,000	17,000,000
	Restr	12,000,000	12,000,000	12,000,000
	GF/GP	\$0	\$0	\$0
2. Detroit Metro Airport Midfield Terminal Project	Gross	(\$8,000,000)	(\$8,000,000)	(\$8,000,000)
Provides \$12.0 million to help fund this \$1.2 billion project. Appropriation represents final payment for the state's \$69.5 million commitment; it also represents a 40.0% reduction from current year.	GF/GP	(\$8,000,000)	(\$8,000,000)	(\$8,000,000)
3. Airport Improvement Program	Gross	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)
Eliminates discretionary GF/GP appropriations to support airport projects.	GF/GP	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>Senate</u>	<u>House</u>	<u>Enacted</u>
4. State Building Authority Rent	Gross	\$16,487,700	\$16,487,700	\$16,487,700
Provides a 6.0% increase—based on estimates of when new building projects will come on line both this year and next, and previous spending patterns.	Restr	475,000	475,000	475,000
	GF/GP	\$16,012,700	\$16,012,700	\$16,012,700
5. Natural Resources - Boating Program, Mackinac Island Marina Expansion	Gross	\$9,025,000	\$9,025,000	\$9,025,000
Provides funding for a project, originally authorized in 1998, which entails installation of an additional 72-82 mooring slips, a new breakwater, dredging work, and remodeling the harbormaster's quarters and restroom/shower building. Project cost is estimated at \$11.0 million (not including property acquisition costs).	Restr	9,025,000	9,025,000	9,025,000
	GF/GP	\$0	\$0	\$0
6. Natural Resources - Boating Program, Mackinaw City, New Marina	Gross	(\$1,150,000)	(\$1,150,000)	(\$1,150,000)
Reduces current-year funding, but provides final-phase funding of \$3.0 million for completion of this new state-owned marina at Mackinaw City.	Federal	1,425,000	1,425,000	1,425,000
	Restr	(2,575,000)	(2,575,000)	(2,575,000)
	GF/GP	\$0	\$0	\$0
7. Natural Resources - Boating Program, Infrastructure Improvements, Field Initiatives, and Engineering Studies	Gross	\$1,750,000	\$1,750,000	\$1,750,000
Provides an increase of 106.0% for this lump-sum contingency account which is used for preventive/special maintenance, electrical/utility upgrades, and engineering work under the state's harbors and docks program.	Federal	1,750,000	1,750,000	1,750,000
	GF/GP	\$0	\$0	\$0
8. Natural Resources - Boating Program, Traverse City, Basin Upgrade and Breakwater Construction	Gross	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)
Reduces current-year funding, but provides final-phase funding of \$2.5 million for completion of this \$10.0 million upgrade project.	Restr	(2,500,000)	(2,500,000)	(2,500,000)
	GF/GP	\$0	\$0	\$0
9. Natural Resources - Boating Program, Escanaba, North Shore Boating Access Site	Gross	\$1,000,000	\$1,000,000	\$1,000,000
Permits appropriation of federal funds for development of this access site. Total project cost estimated at \$1.3 million.	Federal	1,000,000	1,000,000	1,000,000
	GF/GP	\$0	\$0	\$0
10. Natural Resources - Deer Habitat Development and Acquisition	Gross	\$1,500,000	\$1,500,000	\$1,500,000
Provides a lump-sum contingency account to purchase and develop lands as they become available to provide greater deer hunting opportunities.	Restr	1,500,000	1,500,000	1,500,000
	GF/GP	\$0	\$0	\$0
11. Michigan Department of Transportation (MDOT) - Monroe Welcome Center, Construction Authorization	Gross	\$3,000,000	\$3,000,000	\$3,000,000
Allows for construction of a proto-typical rest stop/welcome center for tourists traveling on the state's highways. The basic design will be used for several centers at key entry points along the state's borders.	Restr	3,000,000	3,000,000	3,000,000
	GF/GP	\$0	\$0	\$0
12. MDOT - New Project Offices	Gross	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Eliminates one-time appropriations to construct new transportation service centers (TSCs) at Brighton, Cadillac, and Taylor, and authorizes a new TSC at Grayling as well as a new regional office at Gaylord; each is estimated to cost \$1.0 million.	Restr	(1,000,000)	(1,000,000)	(1,000,000)
	GF/GP	\$0	\$0	\$0
13. Farmland and Open Space Development Acquisition	Gross	\$2,500,000	\$2,500,000	\$2,500,000
Provides for anticipated federal United States Department of Agriculture (USDA) funds to support protection of farmland and open spaces through the purchase of property development rights.	Federal	2,500,000	2,500,000	2,500,000
	GF/GP	\$0	\$0	\$0

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>Senate</u>	<u>House</u>	<u>Enacted</u>
14. Project Planning Authorization - Alpena Community College (CC) - Campus Renovations - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$3.5 million with state share estimated at \$1.8 million.				
15. Project Planning Authorization - Bay de Noc CC - Dickinson County Facility - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$5.3million with state share estimated at \$2.6 million.				
16. Project Planning Authorization - Central Michigan University (CMU) - Education Building - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes CMU to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$50.0 million with state share estimated at \$37.5 million.				
17. Project Planning Authorization - Delta College - Allied Health and Nursing Wing - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$9.7 million with state share estimated at \$4.9 million.				
18. Project Planning Authorization - Eastern Michigan University (EMU) - Pray-Harold Classroom Building - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes EMU to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$37.8 million with state share estimated at \$28.4 million.				
19. Project Planning Authorization - Ferris State University (FSU) - Optometry Building - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes FSU to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$40.0 million with state share estimated at \$30.0 million.				
20. Project Planning Authorization - Grand Rapids CC - Campus Renovations - VETOED	Gross	\$0	\$100	\$0
	GF/GP	\$0	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$1.7 million with state share estimated at \$850,000.				
21. Project Planning Authorization - Grand Valley State University (GVSU) - Library Addition and Remodeling - VETOED	Gross	\$0	\$100	\$0
	GF/GP	\$0	\$100	\$0
Authorizes GVSU to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$80.6 million with state share estimated at \$60.5 million.				
22. Project Planning Authorization - Jackson CC - New Downtown Center - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$6.6 million with state share estimated at \$3.3 million.				
23. Project Planning Authorization - Kalamazoo Valley CC - Center for New Media - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$17.0 million with state share estimated at \$8.5 million.				

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>Senate</u>	<u>House</u>	<u>Enacted</u>
24. Project Planning Authorization - Lansing CC - Master Plan Phase I - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$29.6 million with state share estimated at \$14.8 million.				
25. Project Planning Authorization - Muskegon CC - Library Project - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$4.5 million with state share estimated at \$2.3 million.				
26. Project Planning Authorization - North Central Michigan College - University and Science Center - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$11.9 million with state share estimated at \$5.9 million.				
27. Project Planning Authorization - Schoolcraft College - Technical Services Facility - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$8.7 million with state share estimated at \$4.4 million.				
28. Project Planning Authorization - Southwestern Michigan College - Remodel Wood Street Facility and Expand M-TECH Facility - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$2.9 million with state share estimated at \$1.5 million.				
29. Project Planning Authorization - University of Michigan - Ann Arbor - School of Public Health Building - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the university to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$65.0 million with state share estimated at \$48.8 million.				
30. Project Planning Authorization - Washtenaw CC - Campus Renovations and Science Lab Upgrade - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$24.0 million with state share estimated at \$12.0 million.				
31. Project Planning Authorization - West Shore CC - Media Center Building - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes the college to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$3.4 million with state share estimated at \$1.7 million.				
32. Project Planning Authorization - Western Michigan University (WMU) - Education Building - VETOED	Gross	\$100	\$100	\$0
	GF/GP	\$100	\$100	\$0
Authorizes WMU to hire professionals to do programming and schematic plans for the project within three years. Project is estimated to cost \$30.0 million with state share estimated at \$22.5 million.				
33. Willow Run Airport Renovations	Gross	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Completes the state's \$14.0 million multi-year commitment to help fund extensive airport renovations.	GF/GP	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>Senate</u>	<u>House</u>	<u>Enacted</u>
34. MDOT - Coldwater Welcome Center	Gross	(\$2,750,000)	(\$2,750,000)	(\$2,750,000)
Eliminates one-time appropriation to construct this building.	Restr	(2,750,000)	(2,750,000)	(2,750,000)
	GF/GP	\$0	\$0	\$0
35. Natural Resources - Boating Program - Land Acquisitions	Gross	\$700,000	\$700,000	\$700,000
Uses this lump-sum contingency account to purchase properties along the Great Lakes for development of harbors and docks.	Restr	700,000	700,000	700,000
	GF/GP	\$0	\$0	\$0

Major Boilerplate Changes from FY 2001-02:

Sec. 203. Buy Michigan Products

States that appropriations shall not be used to purchase non-Michigan goods/services if competitively priced and comparable quality Michigan goods/services are available.

Sec. 603. Management and Budget - Special Maintenance, Spending From Operating Accounts

Prohibits expenditures of more than \$1.0 million from operating accounts for major special maintenance unless specifically appropriated by the Legislature.

Sec. 706. Reserve to Purchase Leased Space From State Building Authority (SBA) Bonds - DELETED

Allows Department of Management and Budget (DMB) to purchase non-state-owned lease space to be financed with SBA bond proceeds. Set-aside is capped at \$35.0 million. This current-year section has been deleted.

Sec. 1203. Natural Resources, Transfer of Funds

Allows the Department of Natural Resources (DNR) to transfer \$4.9 million from the Harbor Development Fund to the Waterways Fund to finance projects in Part 1.

**Summary: Enacted Appropriation
FY 2002-03 History, Arts and Libraries
House Bill 5647
Public Act 523 of 2002**

Analyst: Steve Stauff

	2001-02 YTD (as of 5/10/02)	Executive	House	Senate	Enacted	Change from YTD at 5/10/02	
						FTEs/Dollars	%
FTEs	145.7	246.5	247.5	247.5	247.5	101.8	69.9
Gross	\$74,545,700	\$72,264,900	\$72,264,900	\$72,314,800	\$71,486,200	(\$3,059,500)	(4.1)
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	\$7,111,800	\$7,111,300	\$7,111,300	\$7,111,300	\$8,111,300	\$999,500	14.1
Local	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Private	\$577,400	\$577,400	\$577,400	\$577,400	\$577,400	\$0	0.0
Restricted	\$2,247,400	\$1,900,900	\$1,900,900	\$1,900,900	\$1,900,900	(\$346,500)	(15.4)
GF/GP	\$64,609,100	\$62,675,300	\$62,675,300	\$62,725,200	\$60,896,600	(\$3,712,500)	(5.8)

OVERVIEW

The Department of History, Arts and Libraries (HAL) administers programs in four major areas: arts and cultural affairs, which includes administration of Michigan's Arts and Cultural Grants program; the Mackinac Island State Park Commission, which oversees operational activities at the Mackinac Island State Park, the Michilimackinac State Park, and the Mill Creek State Park; the historical program, which includes the historical museum system, historical publications, archaeological, and lighthouse preservation activities; library services, providing reference services to the public and Legislative, Executive, and Judicial branches of state government, as well as assisting public libraries statewide.

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>House</u>	<u>Senate</u>	<u>Enacted</u>
1. Transfers from Department of Natural Resources (DNR), Department of State (DOS), and Consumer and Industry Services (CIS)	FTEs	4.0	4.0	4.0
	Gross	\$461,800	\$461,800	\$461,800
	GF/GP	\$461,800	\$461,800	\$461,800
Transfers 1.0 FTE at \$50,000 from DNR; 2.0 FTEs at \$261,800 from DOS; and 1.0 FTE at \$150,000 from CIS. This completes consolidation of Department activities not accomplished through FY 2001-02 budget development.				
2. Thunder Bay National Marine Sanctuary and Underwater Preserve	Gross	\$250,000	\$250,000	\$250,000
	GF/GP	\$250,000	\$250,000	\$250,000
Establishes the Thunder Bay National Marine Sanctuary and Underwater Preserve line. This funding, along with federal support, will be used to manage the collection of shipwrecks in the bottomlands of Thunder Bay.				
3. One-Time Supplemental Arts Funding	Gross	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)
	GF/GP	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)
Reduces one-time funding for the Arts and Cultural Supplemental Grants line (\$2.0 million) and the Museum of African-American History line (\$1.0 million).				

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>House</u>	<u>Senate</u>	<u>Enacted</u>
4. Arts and Cultural Grants Reduction	Gross	(\$250,000)	(\$250,000)	(\$250,000)
Reduces the Arts and Cultural Grants line by transferring funding to the new Thunder Bay line. The Arts and Cultural Grants line was also reduced \$11.9 million as a consequence of target setting; that funding was restored with passage of House Bill 5248 which raised the per pack tax on cigarettes.	GF/GP	(\$250,000)	(\$250,000)	(\$250,000)
5. Federal Reed Act Funding	Gross	\$0	\$0	\$0
Replaces GF/GP with a like amount of federal revenue in the Grand Rapids Public Library and the Grant to the Detroit Public Library lines by \$64,800 and \$935,200 respectively. The \$1.0 million of federal Reed Act revenue will be used to purchase computer hardware and internet connections and to train library staff—both of which will assist unemployed individuals seeking benefits and employment.	Federal	0	0	1,000,000
	GF/GP	\$0	\$0	(\$1,000,000)
6. Early Retirement and Budgetary Savings	Gross	\$0	(\$100)	(\$773,100)
Creates an Early Retirement and Budgetary Savings unit containing two negative appropriation lines totaling \$773,100: \$146,300 reflects the amount of savings anticipated to occur as a result of the early retirement program and \$626,800 equates to a 1.0% reduction from the Executive Recommendation.	GF/GP	\$0	(\$100)	(\$773,100)

Boilerplate Changes from FY 2001-02:

GENERAL

Sec. 206. Increase in State Restricted Contingency Funds

Increases the amount of state restricted contingency funding available to the Department from \$500,000 to \$1.0 million.

Sec. 215. Statewide Database Access Expenditure Tracking (New)

Requires the Department to maintain accounting structure that will track costs related to the Statewide Database Access appropriation line rolled up into the Library of Michigan Operations line.

Sec. 262. Cigarette Tax Increase Condition (New)

Appropriates an additional \$11.9 million for Arts and Cultural Grants conditional upon a tax increase of 30 cents per pack occurring on or before September 30, 2002.

Sec. 655. Grand Rapids and Detroit Public Library Grants Report (New)

Requires the Grand Rapids Public Library and the Detroit Public Library to provide a detailed report on the use of funds appropriated in part 1 to each respective library.

Summary: Enacted Appropriation
FY 2002-03 Judiciary
House Bill 5648
Public Act 515 of 2002

Analyst: Tim Aben

	2001-02 YTD (as of 5/10/02)	Executive	House	Senate	Enacted	Change from YTD at 5/10/02	
						FTEs/Dollars	%
FTEs	591.5	582.5	592.5	592.5	582.5	(9.0)	(1.5)
Gross	\$241,262,500	\$246,587,800	\$247,762,800	\$247,669,500	\$244,995,800	\$3,733,300	1.5
IDG/IDT	\$2,818,500	\$2,833,500	\$2,833,500	\$2,833,500	\$2,833,500	\$15,000	0.5
Federal	\$3,363,200	\$3,864,500	\$3,901,000	\$3,901,000	\$3,901,000	\$537,800	16.0
Local	\$2,912,900	\$2,941,800	\$2,941,800	\$2,941,800	\$2,941,800	\$28,900	1.0
Private	\$842,500	\$842,500	\$842,500	\$842,500	\$842,500	\$0	0.0
Restricted	\$56,288,900	\$57,287,500	\$57,537,500	\$57,537,500	\$57,477,700	\$1,188,800	2.1
GF/GP	\$175,036,500	\$178,818,000	\$179,706,500	\$179,613,200	\$176,999,300	\$1,962,800	1.1

OVERVIEW

The Constitution of the State of Michigan of 1963 provides that "the judicial power of the state is vested exclusively in one court of justice which shall be divided into the Supreme Court, one court of appeals, one trial court of general jurisdiction known as the circuit court, one probate court, and courts of limited jurisdiction that the legislature may establish by two-thirds vote of the members elected to and serving in each house."

Major Budget Changes from FY 2001-02 Appropriations:

		<u>House</u>	<u>Senate</u>	<u>Enacted</u>
1. Hall of Justice Security	FTEs	10.0	10.0	0.0
Adds funding of \$620,000 GF/GP for 10.0 FTEs. Transfers 3.0 security FTEs and \$194,600 from Supreme Court and Court of Appeals to make up the total recommended security budget for the Judiciary.	Gross	\$620,000	\$500,000	\$0
	GF/GP	\$620,000	\$500,000	\$0
2. Court Boundary Alignment Costs	Gross	\$0	\$150,000	\$150,000
Provides for costs that may be related to realignment of jurisdictional reorganization pursuant to 2002 PA 92.	GF/GP	\$0	\$150,000	\$150,000
3. Judicial Technology Improvement Fund	Gross	\$0	(\$185,000)	(\$150,000)
Reduces this line item to offset general funding for new items added.	GF/GP	\$0	(\$185,000)	(\$150,000)
4. Judicial Salary Adjustment	Gross	\$0	\$190,200	\$190,200
Increases costs related to converting three part-time probate judges to full-time, pursuant to 2002 PA 92.	GF/GP	\$0	\$190,200	\$0
5. Early Retirement Savings	Gross	\$0	(\$100)	(\$891,000)
Reflects savings consistent with leadership agreements.	GF/GP	\$0	(\$100)	(\$891,000)
6. Budgetary Savings	Gross	\$0	(\$100)	(\$927,600)
Reflects 1% GF/GP budget savings consistent with leadership agreements.	GF/GP	\$0	(\$100)	(\$927,600)

Major Boilerplate Changes from FY 2001-02:

Sec. 308. Judges' Salaries

Appropriates funds for judges' compensation from GF/GP if sufficient funds are not available from the court fee fund, and directs excess funds in the court fee fund to be deposited into the drug treatment court fund.

Sec. 309. Expenditure Prohibition

Prohibits using expenditures for indigent defense to provide legal assistance in any proceeding or litigation seeking to procure an abortion.

Sec. 311. Drug Treatment Courts

Establishes guidelines for drug treatment court funding which includes a stipulation that matching is not required and that each Drug Court is limited to receiving State drug treatment court funding not more than five years.

Sec. 313. Child Support Enforcement System Penalties

Requires counties to pay a penalty if the state fails to comply with federal child support enforcement system requirements, if the county is not in compliance with the letter of agreement, or has not cooperated in its implementation activities.

Sec. 315. Part-Time Probate Judges

Directs use of lapse funds to cover costs of changing the status of part-time probate judges if legislation is enacted.

Sec. 316. Judicial Technology Improvement Fund

Allocates funds to develop a statewide judicial information system.

Sec. 319. Indigent Defense Attorneys Debt Management Fund - VETOED

Provides state restricted revenue for Wayne State University to administer funds to assist in repayment of law school debt for those attorneys who primarily defend indigents.

Sec. 322. Court Boundary Realignment Costs

Allocates funds to local units of government for reimbursing court boundary realignment costs.

Summary: Enacted Appropriation
FY 2002-03 Transportation
House Bill 5651
Public Act 561 of 2002

Analyst: William Hamilton

						<u>Change from YTD at 5/10/02</u>	
	2001-02 YTD (as of 5/10/02)	Executive	House	Senate	Enacted	FTEs/Dollars	%
FTEs	3,182.3	3,075.3	3,075.3	3,075.3	3,075.3	(107.0)	(3.4)
Gross	\$3,078,192,400	\$3,166,371,100	\$3,124,514,600	\$3,119,979,700	\$3,091,900,500	\$13,708,100	0.4
IDG/IDT	\$11,459,500	\$0	\$0	\$0	\$0	(\$11,459,500)	(100.0)
Federal	\$961,283,900	\$987,176,100	\$987,176,100	\$987,176,100	\$963,136,100	\$1,852,200	0.2
Local	\$5,800,000	\$5,800,000	\$5,800,000	\$5,800,000	\$5,800,000	\$0	0.0
Private	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Restricted	\$2,099,649,000	\$2,173,395,000	\$2,131,538,500	\$2,127,003,600	\$2,122,964,400	\$23,315,400	1.1
GF/GP	\$0	\$0	\$0	\$0	\$0	\$0	0.0

OVERVIEW

The state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation. The FY 2002-03 budget appropriates over \$3.0 billion for state transportation programs. Approximately 90% of the budget is appropriated for highway programs, including \$1.2 billion for local road agencies. Just over 9% is dedicated to public transportation programs, including capital and operating support for public transit agencies. Less than 1% of the budget is appropriated for aeronautics programs. (Aeronautics airport improvement programs are appropriated in the Capital Outlay budget.) Funding is provided from state restricted, federal, and local revenue. Except as noted in the discussion of Section 901 under *Major Boilerplate Issues* below, there are no GF/GP funds in this budget.

Major Budget Changes from FY 2001-02 YTD Appropriations:

1. Debt Service

Includes \$11.0 million increase related to GARVEE bonds; also includes \$5.0 million in debt service for the new Airport Safety and Protection Plan (ASAP) bond program—contingent upon the passage of House Bill 4454 (see boilerplate Sec. 805). Does not include funding for new Critical bridge program debt service (related to proposed diesel tax increase). Total recommended is \$137.3 million.

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Gross	\$11,015,500	\$11,015,300	\$16,015,300
Federal	11,000,000	11,000,000	11,000,000
Restr	15,500	15,300	5,015,300
GF/GP	\$0	\$0	\$0

2. Michigan Transportation Fund (MTF) Grants to Other State Departments (IDGs)

Increases a MTF grants by \$48.9 million; total MTF grants \$105.7 million, including \$94.5 million for Department of State, and \$10.2 million for Department of Treasury.

Gross	\$20,276,800	\$20,277,000	\$48,939,500
Restr	20,276,800	20,277,000	48,939,500
GF/GP	\$0	\$0	\$0

3. Information Technology

Transfers 107.0 FTE positions to the new Department of Information Technology (DIT). Includes new appropriations unit in the transportation budget for information technology, funded at \$26.4 million, to reimburse DIT for information technology services. Net fiscal effect on transportation appropriations is \$0.

Gross	\$0	\$0	\$0
Federal	0	0	0
Restr	0	0	0
GF/GP	\$0	\$0	\$0

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>House</u>	<u>Senate</u>	<u>Enacted</u>
4. Bureau of Planning				
Reduces funding \$5.6 million from the current year—exclusive of program transfers, economics, and sick-leave/lump sum savings. Total Bureau of Planning appropriation is \$22.7 million. Reflects Governor's veto (\$50,000) of Section 616 which earmarked funds for M-104 traffic study.	Gross	(\$5,578,800)	(\$5,578,800)	(\$5,628,800)
	Federal	(1,593,200)	(2,233,200)	(2,273,200)
	Restr	(3,985,600)	(3,345,600)	(3,355,600)
	GF/GP	\$0	\$0	\$0
5. State Trunkline Road and Bridge Construction				
Authorizes \$41.2 million less than Executive recommendation, reflecting the following differences: \$1.4 million decrease in State Trunkline Fund (STF) as a result of an increase in STF grant to the Michigan State Police, and \$6.0 million shift of federal funds to Critical bridge fund line (see below). Does not recognize revenue from proposed changes to diesel tax statutes. Enacted bill also reflects Governor's vetoes of various boilerplate special project earmarks totaling \$9.1 million.	Gross	(\$28,614,900)	(\$21,560,700)	(\$47,537,900)
	Federal	(3,484,900)	2,515,100	(3,484,900)
	Restr	(25,130,000)	(24,075,800)	(44,053,000)
	GF/GP	\$0	\$0	\$0
6. Federal Aid to Local Road Agencies				
Transfers \$18.0 million in federal bridge funds to Critical Bridge Program (see Item 7).	Gross	\$2,020,300	\$20,020,300	\$2,020,300
	Federal	2,020,300	20,020,300	2,020,300
	GF/GP	\$0	\$0	\$0
7. Critical Bridge Program/Fund - VETOED				
Transfers \$24.0 million in federal funds (\$6.0 million from State trunkline federal aid and road and bridge construction line and \$18.0 million from Local federal aid and road and bridge construction) to this line. Governor vetoed this earmark of federal funds leaving line item appropriations at \$5.7 million state restricted. (See Supplemental)	Gross	\$24,000,000	\$0	\$0
	Federal	24,000,000	0	0
	Restr	0	0	0
	GF/GP	\$0	\$0	\$0
8. MTF Distribution to Local Road Agencies				
Authorizes \$931.4 million MTF distribution to local road agencies. Public Act 51 of 1951 (Act 51) provides for a formula distribution of funds from the Michigan Transportation Fund (MTF) to eligible local road agencies (county road commissions, and incorporated cities and villages). Actual MTF distribution will be based on actual MTF revenue—which may be more or less than the amount appropriated. The MTF formula distribution to local road agencies for FY 2000-01 was \$906.6 million.	Gross	\$13,223,400	\$13,223,200	(\$3,579,200)
	Restr	13,223,400	13,223,200	(3,579,200)
	GF/GP	\$0	\$0	\$0
9. Transportation Economic Development Fund (TEDF)				
Reflects restoration in FY 2002-03 of the \$2.25 million reduction made in the current year by Executive Order 2001-9. Increase is partially offset by \$361,800 increase in TEDF debt service coming "off the top" of the fund. Concurs with the Senate and takes Build Michigan III debt service "off-the-top" of the fund—rather than with the House which took Build Michigan III debt service from the Target industries (Category "A") line. Retains \$40,000 boilerplate earmark for timber truck inspection stations, taken from program Category "F" (Forest Roads).	Gross	\$1,928,200	\$1,928,200	\$1,928,200
	Restr	1,928,200	1,928,200	1,928,200
	GF/GP	\$0	\$0	\$0
10. Bureau of Aeronautics				
Reduces Bureau of Aeronautics line items by \$1.1 million—exclusive of economic adjustments or one-time cost savings. Reflects Governor's veto of boilerplate Section 803 which established Aeronautics Safety Officer (\$21,000). Cuts were to bring appropriation from State Aeronautics Fund (including Capital Outlay) in line with SAF revenue estimates and available fund balance.	Gross	(\$1,133,900)	(\$1,133,900)	(\$1,154,900)
	Restr	(1,133,900)	(1,133,900)	(1,154,900)
	GF/GP	\$0	\$0	\$0

Major Budget Changes from FY 2001-02 YTD Appropriations:

		<u>House</u>	<u>Senate</u>	<u>Enacted</u>
11. Bus Transit - Local Bus Operating Assistance	Gross	\$9,747,300	\$6,312,900	\$4,747,300
Includes \$160.0 million based on available Comprehensive Transportation Fund (CTF) revenue. House had included \$165.0 million; Senate \$161.6 million. (See Supplemental)	Restr	9,747,300	6,312,900	4,747,300
	GF/GP	\$0	\$0	\$0
12. Bus Transit - Non-Urban Operating/Capital	Gross	\$1,400,000	\$1,400,000	\$1,400,000
Provides Federal Transit Act (FTA) funds to transit systems in "non-urbanized" areas (populations less than 50,000). Provides \$10.3 million for this line—an increase of \$1.4 million—based on anticipated increases in FTA revenue.	Federal	1,400,000	1,400,000	1,400,000
	Restr	0	0	0
	GF/GP	\$0	\$0	\$0
13. Rail Passenger Service	Gross	\$2,078,000	\$1,078,000	\$1,378,000
Provides operating assistance to AMTRAK for rail service between Port Huron and Chicago and between Grand Rapids and Chicago. Also supports rail capital improvements, including projects for high-speed rail service between Detroit and Chicago. Authorizes \$11.3 million and modifies earmark (see Sec. 723) for Lansing/Detroit rail project.	Restr	2,078,000	1,078,000	1,378,000
	Federal	0	0	0
	GF/GP	\$0	\$0	\$0
14. Rail Infrastructure Loan Program	Gross	\$100,000	\$0	\$100,000
Includes \$100,000 (CTF) for this line. Executive Order 2001-9 cut the entire \$800,000 (CTF) current-year appropriation for this program.	Restr	100,000	0	100,000
	GF/GP	\$0	\$0	\$0
15. Specialized Service	Gross	\$190,000	\$190,000	\$190,000
Includes \$3.9 million (CTF)—restoring \$190,000 cut from the current year in Executive Order 2001-9. Line supports transit services to the elderly and persons with disabilities. (See Supplemental)	Restr	190,000	190,000	190,000
	GF/GP	\$0	\$0	\$0
16. Bus Capital	Gross	(\$7,141,000)	(\$7,141,000)	(\$6,846,000)
Authorizes \$48.8 million—\$6.8 million less than current year. Anticipated decrease in federal revenue is due to increased direct federal funding to transit agencies—funds not reflected in state budget. (See Supplemental)	Federal	(7,200,000)	(7,200,000)	(7,200,000)
	Restr	59,000	59,000	354,000
	GF/GP	\$0	\$0	\$0
17. Work First Initiative	Gross	\$2,350,000	\$2,350,000	\$2,350,000
Authorizes \$5.9 million, including \$850,000 in federal revenue as a fund source. Restores \$1.5 million in state restricted (CTF) funds cut in the current-year budget by Executive Order 2001-9. Intended to help remove transportation as a barrier to employment for public assistance recipients.	Federal	850,000	850,000	850,000
	Restr	1,500,000	1,500,000	1,500,000
	GF/GP	\$0	\$0	\$0
18. Sick-Leave/Lump Sum Savings	Gross	(\$3,002,700)	(\$3,002,700)	(\$3,002,700)
Reflects one-time time savings from completion of 1997 early retirement sick leave payouts and one-time savings from elimination of an annual \$375 lump sum payment to classified state employees. Note that savings related to the current-year early retirement plan are not reflected in this budget.	Restr	(3,002,700)	(3,002,700)	(3,002,700)
	GF/GP	\$0	\$0	\$0
19. Economic Adjustments	Gross	\$5,914,100	\$5,914,100	\$5,914,100
Reflects \$5.9 million in additional funding for department salaries, fringe benefits, motor transport costs, worker's compensation, and building occupancy charges.	Restr	5,914,100	5,914,100	5,914,100
	GF/GP	\$0	\$0	\$0

Major Boilerplate Changes from FY 2001-02:

Sec. 259. Department of Information Technology (DIT) (New)

Provides for user fees to be paid to the new DIT.

Sec. 260. Information Technology Carry Forward (New)

Authorizes information technology projects to be designated as work projects if approved per the Management and Budget Act.

Major Boilerplate Changes from FY 2001-02:

Sec. 352. All-Season County Road Network (New)

Provides for data collection and reporting.

Sec. 357. Local Project Review (New)

Requires Department to complete all necessary reviews and inspections required to let federal aid projects within 120 days of receipt of project submittals "where possible." Requires Department to implement a system for monitoring local federal aid review process.

Sec. 405. Critical Bridge - VETOED

Earmarks \$24.0 million in federal bridge funds for local critical bridge programs.

Sec. 504 (4). Billings for Transportation-Related Services from Other State Departments (New)

Authorizes Department to pay from restricted transportation funds, billings from state departments that provide transportation-related services.

Sec. 506. Tree Cutting (New)

Prohibits county road commissions from paying fees to the Department of Natural Resources to cut down trees or vegetation on county right of way.

Sec. 507. Interdepartmental Grants - Report Required (New)

Indicates legislative intent to reduce funding for grants from restricted transportation funds to other state departments that provide transportation-related services. Requires Department to recommend alternative funding methods by February 1, 2003.

Sec. 607. Unsafe Pedestrian Crossings

Continues current-year language into FY 2002-03 without a specific dollar amount. Current year earmarks \$2.0 million for remediation of unsafe pedestrian crossings; vetoed by the Governor.

Sec. 723. Lansing/Detroit Rail Service

Earmarks up to \$1.0 million from the Rail passenger service line for the 20% match of federal funds available for Lansing/Detroit rail service.

Sec. 724. Detroit Intermodal Freight Terminal (DIFT) (New)

Prohibits funding DIFT project outside of rail property prior to environmental impact statement.

Sec. 725. Detroit Area Regional Transportation Authority (DARTA) (New)

Requires Department to report on DARTA start up costs within 90 days of the passage of HB 5467 of the 91st Legislature. Appropriation of up to \$1.0 million for DARTA start up costs made in the First Conference report was not included in the Second Conference report.

Sec. 805. Airport Safety and Protection Plan (ASAP) (New)

Transfers and appropriates State Aeronautics Funds to the CTF for reimbursement of ASAP debt service obligations; makes the appropriation contingent on the passage of House Bill 4454.

Sec. 901. Fire Protection Grants (New)

Appropriates \$7.4 million from the state liquor purchase revolving fund to Department for transfer to the Department of Consumer and Industry Services (CIS) for fire protection grants to be distributed in accordance with Public Act 289 of 1977. Appropriation effectively restores funds vetoed by the Governor from Enrolled House Bill 5644—the FY 2002-03 CIS appropriation bill. See veto discussion under the Summary and Analysis of the CIS budget. Note that this boilerplate appropriation is not included in the gross appropriation totals shown in the table at the beginning of this section.